

AMENDED IN SENATE JUNE 11, 2014

AMENDED IN ASSEMBLY MAY 24, 2013

AMENDED IN ASSEMBLY APRIL 8, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 578

Introduced by Assembly Member Dickinson

February 20, 2013

An act to ~~amend~~ *add* Section ~~1353~~ of 1517 to the Health and Safety Code, and to ~~add~~ Section 717.7 to the Insurance Code, relating to ~~health care~~ *crisis nurseries*.

LEGISLATIVE COUNSEL'S DIGEST

AB 578, as amended, Dickinson. ~~Health care. Crisis nurseries: study.~~
Existing law provides for the licensure and regulation by the State Department of Social Services of crisis nurseries. Crisis nurseries are nonprofit corporations that care for and supervise children under 6 years of age who are voluntarily placed in the crisis nursery by a parent or legal guardian due to a family crisis or stressful situation for no more than 30 days.

This bill, until January 1, 2017, would require the department to implement a 2-year pilot project in the counties of Sacramento and Yolo to conduct a study of the relationship between crisis respite care and incidents of reported child abuse in those counties, and report the results of the study to the Legislature. The bill would make the implementation of this pilot project contingent upon all of the crisis nurseries in those counties voluntarily participating in the project and providing funding for ¹/₂ of the cost of the project. This bill would express the intent of the

Legislature to provide state funding for crisis nurseries in the Budget Act of 2014 for community services and this pilot project.

~~Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Existing law requires each application for licensure as a health care service plan or specialized health care service plan under these provisions to be accompanied by specified information. Existing law requires the Director of the Department of Managed Care to issue a license to an individual filing an application if the director determines that the applicant has satisfied certain requirements. Existing law also provides for the regulation of health insurers by the Department of Insurance and authorizes the Insurance Commissioner to issue a certificate of authority to transact insurance, as specified.~~

~~This bill would require that the director or commissioner publish a notice, upon receiving an application from a first time health care service plan applicant or health insurer applicant, that would include information regarding the applicant and nature of the application, as specified. The bill would also require the departments to allow comments to be submitted through the departments' Internet Web sites. The bill would require the director or commissioner to require the applicant to publish a written notice concerning the application pursuant to conditions imposed by the director or commissioner. The bill would require the director or commissioner to solicit, review, and consider public comments, as specified, and hold at least one public hearing if comments are received, prior to approving an application. The bill would authorize a consolidated public hearing that considers each application independently whenever comments regarding 2 or more pending applications are received.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1517 is added to the Health and Safety
- 2 Code, to read:
- 3 1517. (a) The department shall implement a two-year pilot
- 4 project in the County of Sacramento and the County of Yolo for
- 5 the purpose of evaluating the effectiveness of crisis nurseries in
- 6 lowering the incidence of child abuse in those counties. This pilot

1 *project shall be implemented only if all of the crisis nurseries in*
2 *those counties voluntarily participate in the project and provide*
3 *private funding for one-half of the cost of the project. The pilot*
4 *project shall consist of both of the following:*

5 *(1) The department shall conduct a study of the relationship*
6 *between crisis respite care and incidents of reported child abuse*
7 *in pilot project counties.*

8 *(2) The department shall report the results of the study to the*
9 *Legislature on or before December 31, 2016, pursuant to Section*
10 *9795 of the Government Code.*

11 *(b) It is the intent of the Legislature to provide state funding for*
12 *crisis nurseries in the Budget Act of 2014 in order to enable crisis*
13 *nurseries to continue to provide services to the community and to*
14 *participate in the pilot project established by this section.*

15 *(c) This section shall remain in effect only until January 1, 2017,*
16 *and as of that date is repealed, unless a later enacted statute, that*
17 *is enacted before January 1, 2017, deletes or extends that date.*

18 ~~SECTION 1. Section 1353 of the Health and Safety Code is~~
19 ~~amended to read:~~

20 ~~1353. (a) The director shall issue a license to any person filing~~
21 ~~an application pursuant to this article, if the director, upon due~~
22 ~~consideration of the application and of the information obtained~~
23 ~~in any investigation, including, if necessary, an onsite inspection,~~
24 ~~determines that the applicant has satisfied the provisions of this~~
25 ~~chapter and that, in the judgment of the director, a disciplinary~~
26 ~~action pursuant to Section 1386 would not be warranted against~~
27 ~~the applicant. Otherwise, the director shall deny the application.~~

28 ~~(b) For a first time health care service plan applicant, the director~~
29 ~~shall publish a notice, upon receiving the application, in one or~~
30 ~~more newspapers of general circulation in the proposed plan's~~
31 ~~service area, describing the name of the applicant, the nature of~~
32 ~~the application, and the date of receipt of the application. The~~
33 ~~notice shall indicate that the director is soliciting public comments~~
34 ~~and may hold a public hearing on the application. The department~~
35 ~~shall allow comments to be submitted through its Internet Web~~
36 ~~site. The director shall require the applicant to publish a written~~
37 ~~notice concerning the application pursuant to conditions imposed~~
38 ~~by the director.~~

39 ~~(c) Prior to approving the application, the director shall solicit,~~
40 ~~review, and consider public comments in written form and shall~~

1 ~~hold at least one public hearing if comments are received~~
2 ~~concerning the application. Whenever the director receives~~
3 ~~comments regarding two or more pending applications, the director~~
4 ~~may hold one consolidated hearing that considers each application~~
5 ~~independently.~~

6 SEC. 2. ~~Section 717.7 is added to the Insurance Code, to read:~~

7 ~~717.7. (a) For a first time applicant for a certificate of authority~~
8 ~~to transact health insurance, the commissioner shall publish a~~
9 ~~notice, upon receiving the application, in one or more newspapers~~
10 ~~of general circulation, describing the name of the applicant, the~~
11 ~~nature of the application, and the date of receipt of the application.~~
12 ~~The notice shall indicate that the commissioner is soliciting public~~
13 ~~comments and may hold a public hearing on the application. The~~
14 ~~department shall allow comments to be submitted through its~~
15 ~~Internet Web site. The commissioner shall require the applicant~~
16 ~~to publish a written notice concerning the application pursuant to~~
17 ~~conditions imposed by the commissioner.~~

18 ~~(b) Prior to approving the application, the commissioner shall~~
19 ~~solicit, review, and consider public comments in written form and~~
20 ~~shall hold at least one public hearing if comments are received~~
21 ~~concerning the application. Whenever the commissioner receives~~
22 ~~comments regarding two or more pending applications, the~~
23 ~~commissioner may hold one consolidated hearing that considers~~
24 ~~each application independently.~~